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SERKO & SIMON LLP CUSTOMS & INTERNATIONAL TRADE CLAWEB 13 PM 2: 37 1700 BROADWAY FEDERAL MARITIME COMM

31ST FLOOR

NEW YORK, N. Y. 10019

TEL. 212-775-0055 FAX: 212-839-9103 E-MAIL: serko-simon@customs-law.com

INTERNET: www.customs-law.com

New York - February 11, 2004

Secretary Federal Maritime Commission 800 North Capitol Street N.W. Washington, D.C. 20573-0001

Regarding:

Comments of TransUnion America, Inc.

Petition No. P2-04

Dear Mr. Van Brakle:

Please find enclosed one original plus fifteen copies of the comments of our client **TransUnion America, Inc.** submitted in response to the request for comments published by the Federal Maritime Commission in regard to each of the above-referenced petitions.

As noted on the certificate of service, two copies of these comments have been served on Petitioner's Counsel, and a copy has been emailed to your office for use in each of the abovereferenced petitions.

Sincerely,

SERKO & SIMON LLP

Christopher M. Kane

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BEFORE THE FEDERAL MARITIME COMMISSION

COMMENTS OF

TransUnion America, Inc.

REGARDING PETITIONS OF

DANZAS CORPORATION et al

and

BDP INTERNATIONAL, INC.

PETITION NOS. Pl-04 and P2-04

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Christopher M. Kane, Esq. Serko & Simon LLP 1700 Broadway-Suite 3100 New York, New York 10019

Counsel to TransUnion America, Inc.

February 11, 2004

ORIGINAL

Comments

TransUnion America, Inc., 66-00 Long Island Expressway-Suite 200, Maspeth, New York 11378, which submits these comments, is a licensed Nonvessel Operating Common Carrier Ocean Transportation Intermediary ("NVOCC").

TransUnion America, Inc. was licensed by the Federal Maritime Commission under FMC license no. 16761 NF.

In submitting these comments, **TransUnion America**, **Inc.** states that it agrees emphatically with the proposal for the exemption of NVOCCs from tariff publication for the transportation of goods moving under Federal Maritime Commission permission to utilize individually structured confidential agreements to meet particular customers' transportation and logistics requirements.

The Federal Maritime Commission has statutory authority to allow such exemption under section 16 of the Shipping Act of 1984, as amended, and as that Act has no specific prohibition against NVOCCs entering into confidential contracts with their customers, there is no reason such agreements should not be allowed, subject to legitimate Federal Maritime Commission regulation.

The exemption authority in 46 App. U.S.C. 1715 extends to <u>any</u> requirement of the Shipping Act of 1984. This exemption authority would extend to the tariff publication requirements of section 8 of the Act (46 App. U.S.C. 1707).

The Prohibited Acts listed in section 10 of the Act in no way preclude the offering of individually structured confidential agreements to meet particular customers' transportation and logistics requirements

In fact, **TransUnion America** believes that the already existing provision for Time-Volume Rates in section 8(b) could be further interpreted in a regulation to be issued by the Federal Maritime Commission to allow for confidentiality. While the statutory provision has apparently been interpreted as requiring the publication of the transportation charges incident to such rates in tariff form, it also appears that the Commission could issue a regulation which might establish confidentiality for the Time-Volume Rate agreement without expanding the coverage of Service Contracts under section 8(c).

TransUnion America, Inc. wishes to express concern over certain aspects of the petitions. To the extent that petitioners would create a new type of NVOCC Ocean Transportation Intermediary, one which is given preference by the Federal Maritime Commission over all other NVOCCs based on the criteria proposed by the petitioners, **TransUnion America, Inc.** questions whether such authority exists absent a statutory change.

The offering of what was vaguely referred to as a "plethora of value-added services" as a qualification for permission to enjoy the tariff tiling exemption and confidential contract

arrangements (Danzas Petition, p.16) would appear to be too uncertain of a notion to be used as a qualifying criterion. What would constitute the "plethora" of services have to be offered under the confidential contract to qualify for such treatment? If the NVOCC offered anything less than a "plethora" of services, would that disqualify the parties from using a confidential arrangement? **TransUnion America**, **Inc.** is also concerned that this criterion might lead to an unauthorized expansion of Federal Maritime Commission jurisdiction beyond what is mandated by law. **TransUnion America**, **Inc.** also notes that the Federal Maritime Commission never issued regulations covering Shippers' Associations, even though such entities are referenced in the Shipping Act, because of the sensitivity to the scope of its authority.

TransUnion America, Inc. would point out that, with respect to the financial requirements suggested by the petitioners, there already are financial responsibility requirements imposed on NVOCCs in the form of bonding. Failure to meet those requirements can result in revocation of the NVOCC's license and can subject the then-unlicensed entity to penalties provided for in section 13 of the Act.

With respect to the track record of the NVOCC who might enjoy the benefits of the exemption and the permitted confidential contracting, **TransUnion America Inc.** believes that any NVOCC in good standing should be afforded the privileges, and does not believe that an entity must show that it has been in business since 1966 (BDP Petition, p. 2) or have any particular claim to longevity before qualifying for the privileges. The investment in IT, warehouses or other land or equipment, in some cases may be admirable. But in others, it might be an incentive to engage in questionable activity, in order to meet high expenses occasioned by such facilities. Accordingly, TransUnion America, Inc. believes that the existence of such investment should not be a prerequisite to enjoyment of the privileges sought by the petitioners.

TransUnion America, Inc. believes that the privileges sought must be extended to any and all NVOCCs in order to ensure that competition will not be reduced, as any NVOCC who cannot enjoy the tariff publication exemption and enter into individually structured confidential agreements to meet particular customers' transportation and logistics requirements will be at a distinct competitive disadvantage in competition against those who can.

Respectfully submitted,

Christopher M. Kane, Esq.

Serko & Simon LLP

1700 Broadway-Suite 3100

New York, New York 10019

Counsel to Trans Union America, Inc.

February 11, 2004

CERTIFICATE OF SERVICE

I hereby certify that I have this 1 1th day of February, 2004 served a copy of the foregoing Comments upon counsel to the Petitioner:

Carlos Rodriguez, Esq.
Rodriguez O'Donnell Ross Fuerst Gonzalez & Williams, P.C.
1211 Connecticut Avenue, N.W.-Suite 800
Washington, D.C. 20036

and an original plus fifteen copies upon:

Bryant L. VanBrakle, Esq. Secretary Federal Maritime Commission 800 North Capitol Street, N.W. Washington, D.C. 20573

by delivering to same to FedEx (courier). A copy of the Comments has also been emailed to the Secretary for inclusion in each of the two Petition files.

Joseph Bonilla

For: Serko & Simon LLP

1700 Broadway-31st Floor New York, New York 10019

Counsel to TransUnion America, Inc.